GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA

UNSTARRED QUESTION NO:73
ANSWERED ON:20.11.2000
PRODUCTION OF COTTON
RATILAL KALIDAS VARMA

Will the Minister of AGRICULTURE be pleased to state:

(a) the estimate production of cotton in the current season in each state particularly in Gujarat;

(b) the support price of cotton given by the Cotton Corporation of India (CCI); and

(c) the measures taken by Government to avoid any loss to farmers in case of high production?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI SHRIPAD Y. NAIK)

(a): The state-wise advance estimates of production of cotton during 2000-2001 are given in the annexure.

(b): The Government of India fix the support price of two basic varieties of cotton viz.F-414/H-777/J34 and H4.The support prices of these two varieties of Fair Average Quality of cotton season 2000-2001 have been fixed at Rs.1625/- per quintal and 1825/-per quintal respectively. However, the support prices for other varieties are fixed by the Textile Commissioner. These prices, as fixed by the Textile Commissioner for the cotton season 2000-2001, vary from Rs.1215/- per quintal to Rs.2900/- per quintaldepnding upon variety.

(c): It is endeavour of the Government to provide remunerative prices to farmers fortheir produce through the mechanism of price intervention. The Government and Office of the Textile Commissioner fix Minimum Support Price (MSP) after taking intoconsideration the recommendations of the Commission for the Agricultural Cost and Prices, cost of production of agricultural inputs, normal escalation in each element of cost plus a reasonable margin of profit. In case prices touch the MSP level, the nodalagency immediately intervenes and starts procuring so as to stabilise prices. Further, quotas for export of cotton are released in phases depending upon estimated size of the crop for the relevant cotton season. Also, import of cotton is under OGL (Open General Licence) with a basic duty of 5 percent and additional surcharge of 10 percent. Thus, through the instruments of price interventions, tariff rates and export quotas, farmers' interest are protected.

Annexure

STATE-WISE ADVANCE ESTIMATES OF PRODUCTION OF COTTON DURING 2000-01

(IN 000 Bales of 170 Kgs. Each)

S.No.	State	Production
1.	Andhra Pradesh	1572
2.	Gujarat	2848
3.	Haryana	1300
4.	Karnataka	805
5.	Kerala	23
6.	Madhya Pradesh	546

7 Maharashtra	2870
8. Orissa	81
9. Punjab	1321
10. Rajasthan	1000
11. Tamil Nadu	765
12. Uttar Pradesh	10
13. West Bengal	1
14. Others	13
All India	13155